



CITY OF CARLSBAD – AGENDA BILL

7

AB#	20,291	APPROVAL OF A MEMORANDUM OF UNDERSTANDING WITH THE CARLSBAD POLICE MANAGEMENT ASSOCIATION (CPMA)	DEPT. HEAD	<i>[Signature]</i>
MTG.	6/29/10		CITY ATTY.	<i>[Signature]</i>
DEPT.	HR		CITY MGR.	<i>[Signature]</i>

RECOMMENDED ACTION:

1. Adopt Resolution No. 2010-170 approving a Memorandum of Understanding with the Carlsbad Police Management Association (CPMA).

ITEM EXPLANATION:

The Carlsbad Police Management Association (CPMA) is comprised of the command staff in the police department (excluding the Police Chief). The CPMA is a formally recognized bargaining group that has existed since 1983 and has informally negotiated with the City without a written contract since its formation. This year, the City and the CPMA agreed to meet and confer to discuss future terms and conditions of employment and to memorialize the terms and conditions of employment in a written Memorandum of Understanding (MOU).

Representatives of the City and the Carlsbad Police Management Association (CPMA) have met and conferred in good faith and have reached an agreement regarding wages, hours and other terms and conditions of employment for represented employees. The Memorandum of Understanding (MOU) with CPMA shall be for a term of one year, beginning January 1, 2010 and ending on December 31, 2010 and includes the following changes:

- **RETIREMENT BENEFITS:**

- A. Implement a two-tiered retirement plan that will apply to all sworn members hired on or after October 4, 2010. The terms of the second tier shall include the following:
 1. The 2% @ 50 retirement formula
 2. The use of a 3-year Final Average Earnings (FAE) formula for final compensation calculation
- B. Put forth a Charter amendment for the November 2010 ballot prohibiting increases in the 2% @ 50 retirement formula absent approval of the electorate.

DEPARTMENT CONTACT: Julie Clark 760-602-2440 Julie.Clark@carlsbadca.gov

FOR CITY CLERKS USE ONLY.				
COUNCIL ACTION:	APPROVED	<input checked="" type="checkbox"/>	CONTINUED TO DATE SPECIFIC	<input type="checkbox"/>
	DENIED	<input type="checkbox"/>	CONTINUED TO DATE UNKNOWN	<input type="checkbox"/>
	CONTINUED	<input type="checkbox"/>	RETURNED TO STAFF	<input type="checkbox"/>
	WITHDRAWN	<input type="checkbox"/>	OTHER – SEE MINUTES	<input type="checkbox"/>
	AMENDED	<input type="checkbox"/>		

- Police Management employees will continue to participate and be governed by the salary and incentive plan provisions of the Management Compensation and Benefits Plan. As such, the City can implement the salary and incentive plan provisions of the Management Compensation and Benefits Plan and CPMA agrees to waive any obligation by the City to meet and confer over implementation of those provisions. Should the City decide to make changes to those two provisions in the Management Compensation and Benefits Plan, the City would be obligated to meet and confer with CPMA. The Management Compensation and Benefits Plan has been updated to exclude provisions that are now documented in the CPMA MOU and to reflect other administrative changes based on current practice (Exhibit 3).
- Currently, employees can elect to participate and defer monies from their gross pay into a 457 deferred compensation plan. As soon as administratively possible, the City will work with its 457 plan administrator (currently ICMA Retirement Corporation) to implement a provision that permits CPMA represented participants (and all other non-represented management employees) to take loans from the plan. The City will assist in the administrative set-up of this provision but has no liability if an employee should default on the repayment of such a loan.

FISCAL IMPACT:

There is no immediate fiscal impact associated with implementing the changes to the retirement provisions as described above. It is estimated that the City will realize long-term savings over the next ten years as a result of this action, but employee turnover and other factors will influence the extent of any projected savings. There is no fiscal impact associated with either the clarification of CPMA members' status under the Performance Management and Compensation Plan or the change to the deferred compensation plan as outlined above.

ENVIRONMENTAL IMPACT:

This amendment is statutorily exempt from CEQA pursuant to CEQA Guideline Section 15060(b)(5).

EXHIBITS:

1. Resolution No. 2010-170 adopting the Memorandum of Understanding between the City of Carlsbad and the Carlsbad Police Management Association.
2. Memorandum of Understanding between the City of Carlsbad and the Carlsbad Police Management Association.
3. Revised Management Compensation and Benefits Plan.

RESOLUTION NO.2010-170**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, ADOPTING A MEMORANDUM OF UNDERSTANDING BETWEEN REPRESENTATIVES OF MANAGEMENT AND THE CARLSBAD POLICE MANAGEMENT ASSOCIATION.**

WHEREAS, representatives of management and the Carlsbad Police Management Association (CPMA) have met and conferred in good faith pursuant to the Meyers-Milias-Brown Act regarding wages and other terms and conditions of employment; and

WHEREAS, said representatives have reached agreement which they desire to submit to the City Council for consideration and approval; and

WHEREAS, the City Council has determined it to be in the public interest to accept such an agreement in the form of a Memorandum of Understanding (MOU), marked Exhibit 2 and incorporated by reference herein; and

WHEREAS, Resolution No. 2002-362 authorized the City Manager or a designee to implement changes to the City of Carlsbad Deferred Compensation Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council for the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the Memorandum of Understanding between the Carlsbad Police Management Association and the City of Carlsbad is hereby approved and the City Manager is authorized and directed to execute it.
3. That the City Council directs staff to amend the City's contract with the California Public Employees' Retirement System (CalPERS) to create a 2nd tier retirement plan for CPMA employees at the 2% @ 50 retirement formula effective October 4, 2010.

4. That the City Council directs the City Manager or a designee to amend the City's Deferred Compensation Plan to incorporate the loan provision for CPMA represented and non-represented management participants.

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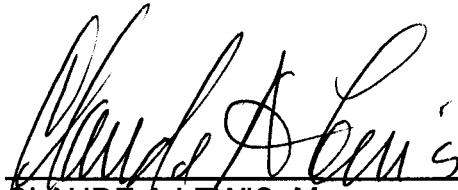
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1 PASSED, APPROVED AND ADOPTED at a Special Meeting of the City Council
2 of the City of Carlsbad on the 29th day of June, 2010, by the following vote to wit:
3

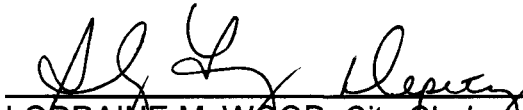
4 AYES: COUNCIL MEMBERS LEWIS, KULCHIN, HALL AND PACKARD.
5

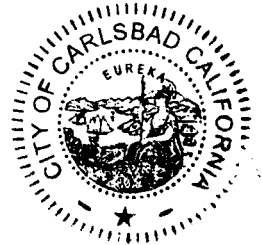
6 NOES: COUNCIL MEMBER BLACKBURN.
7

8 ABSENT: NONE.
9

10 
11 CLAUDE A LEWIS, Mayor

12 ATTEST:

13 
14 LORRAINE M. WOOD, City Clerk
15 (SEAL)



**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF CARLSBAD
AND THE CARLSBAD POLICE MANAGEMENT ASSOCIATION**

Term: January 1, 2010- December 31, 2010

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into as of the date of formal approval hereof by the City Council of the City of Carlsbad, by and between designated management representatives of the City of Carlsbad (hereinafter referred to as the "City") and the designated representatives of the Carlsbad Police Management Association (hereinafter referred to as "CPMA").

PREAMBLE

It is the purpose of the Memorandum of Understanding (hereinafter referred to as "Memorandum") to promote and provide for harmonious relations, cooperation and understanding between the City and the local safety police management employees covered under this Memorandum; to provide an orderly and equitable means of resolving any misunderstandings or differences which may arise under this Memorandum; and to set forth the agreement of the parties reached as a result of good faith negotiations regarding wages, hours and other terms and conditions of employment of the employees covered under this Memorandum, which agreement the parties intend jointly to submit and recommend for City Council approval and implementation.

ARTICLE 1. IMPLEMENTATION

This Memorandum constitutes a mutual recommendation to be jointly submitted to the City Council following ratification of the Memorandum by the membership of CPMA. It is agreed that the City will act in a timely manner to make the changes in City ordinances, resolutions, rules, policies and procedures and those of the Police Department necessary to implement this Memorandum.

ARTICLE 2. TERM AND RENEGOTIATION

- 2.1 The term of this Memorandum shall commence on January 1, 2010, and shall continue until December 31, 2010.
- 2.2 Negotiations for a successor Memorandum shall begin by the exchange of written proposals in approximately September 2010.

ARTICLE 3. AUTHORIZED AGENTS

For the purpose of administering the terms and provisions of this Memorandum:

- 3.1 City's principal authorized agent shall be the City Manager or a duly authorized representative [Address: 1200 Carlsbad Village Drive, Carlsbad, California 92008; Telephone: (760) 434-2821] except where a particular representative is specifically designated in connection with the performance of a specific function or obligation set forth herein.
- 3.2 CPMA's principal authorized agent shall be its President or duly authorized representative [Address: 2560 Orion Way, Carlsbad, CA, 92010] and the California Organization of Police and Sheriffs [Address: 1920 S. Archibald Ave., Unit L, Ontario, California 91761; Telephone: (909) 923-6801].

ARTICLE 4. RECOGNITION

The City recognizes CPMA as the majority representation of the bargaining unit that includes the classifications of Police Captain and Police Lieutenant.

ARTICLE 5. SAVINGS CLAUSE

If any articles of this Memorandum should be found invalid, unlawful or unenforceable by reason of existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this Memorandum shall remain in full force and effect for the duration of this Memorandum.

ARTICLE 6. NONDISCRIMINATION CLAUSE

Neither City nor CPMA shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this Memorandum because of exercise of rights to engage or not engage in CPMA activity or because of the exercise of any right provided to the employees by this Memorandum.

ARTICLE 7. MANAGEMENT RIGHTS

The rights of the City include, but are not limited to, the exclusive right: to determine the mission of its major service areas, departments, commissions, and boards; to set standards of service; to determine procedures and standards of selection for employment and promotion; to direct its employees; to take disciplinary action; to relieve employees from duty because of lack of work or other legitimate reasons; to transfer employees among various department activities and work groups; to maintain the efficiency of City operations; to determine the methods, means and personnel by which City operations are to be conducted; to determine the contents of job classifications; to take all necessary actions to carry out its mission in emergencies; and to exercise complete control and discretion over its organization and the technology for performing its work.

Nothing in this Memorandum shall require the City to meet and confer over the exercise of its management rights, however, in so doing; the City shall comply with all applicable provisions of this Memorandum.

ARTICLE 8. BASIC WORK WEEK/WORK DAY

- 8.1 Police Captains are exempt from overtime requirements under the Fair Labor Standards Act.
- 8.2 In accordance with section 7(k) of the Fair Labor Standards Act, the official work period for sworn employees begins on Sunday at 00:01 hours and ends 14 days later at 23:59 hours. Overtime shall be compensated in the manner prescribed by Article 12 of this Memorandum.
- 8.3 References in the Memorandum to a 3/12 schedule refer to a schedule in which employees work three 12-hour shifts during one of the workweeks in a two-week pay period and three 12-hour shifts plus one 8-hour shift during the other workweek in the pay period, for a total of 80 hours worked in the pay period.
- 8.4 Members of this bargaining unit will be given two (2) fifteen-minute rest periods and one (1) half-hour lunch break each workday without loss of pay.

ARTICLE 9. COURT AND HEARINGS

- 9.1 Compensation: Off duty Lieutenants who appear in court or at a hearing pursuant to an official request from a legally constituted body regarding matters arising out of, or associated with, their employment shall be compensated at a minimum of four (4) hours per day calculated at time and one-half the employee's regular rate of pay. Actual time spent in court over the four (4) hour

minimum on the same day is compensable at time and one-half the Lieutenant's regular rate of pay.

- 9.2 Contiguous Time: This minimum hour guarantee shall not apply if the court or hearing appearance is contiguous with the commencement or end of the Lieutenant's regularly scheduled work shift. In that situation, the Lieutenant shall receive overtime compensation at the following rate.

Any subpoena received with an appearance time of two (2) hours prior to the commencement of the employee's work shift will receive two (2) hours compensation at the overtime pay rate.

Any subpoena received with an appearance time of one (1) hour prior to the commencement of the employee's work shift will receive one (1) hour compensation at the overtime pay rate.

Lieutenants who receive subpoenas for separate cases on the same day that overlap minimum hour designations are entitled to contiguous time as opposed to separate three/four hour minimums.

- 9.3 Lunch Break Compensation: When personnel required to appear in court or at a hearing are held over during the normal lunch break for further appearance after lunch, they shall be entitled to credit for the lunch break as time worked.
- 9.4 Transportation: When available, Carlsbad Police Department vehicles shall be used for employee transportation. Mileage expenses will not be paid for appearances in court or at a hearing when the court or hearing location is within a 20 mile radius of the Carlsbad Police Department. If the court or hearing location is beyond a 20 mile radius of the Carlsbad Police Department and a Carlsbad Police Department vehicle is not available, the employee will receive reimbursement for mileage expenses to and from the court or hearing location, or the round trip distance between the court or hearing location and the Carlsbad Police Department, whichever is less. Employees shall be reimbursed for mileage expenses as set out in Council Policy Statement of the City of Carlsbad titled "Travel Policy" with an effective date of 12/14/99, including any subsequent changes to this policy.
- 9.5 Phone Testimony: When off duty Lieutenants provide court or hearing testimony via telephone, the employee shall be compensated for the actual time of the telephone testimony or a minimum of one (1) hour, whichever is greater, at time and one-half the employee's regular rate of pay.
- 9.6 District Attorney Conversation: When off duty Lieutenants receive calls from District Attorney personnel regarding criminal cases, employees will receive no compensation for conversations lasting less than 10 minutes. Lieutenants will receive compensation at time and one-half the employee's rate of pay for the actual time of the conversation or a minimum of one (1) hour, whichever is greater, for conversations lasting 10 minutes or longer. Lieutenants receiving multiple calls within the same one hour period shall only receive one hour compensation.

ARTICLE 10. SICK LEAVE/BEREAVEMENT LEAVE

- 10.1 Every employee will accrue sick leave at the rate of 3.69 hours biweekly.
- 10.2 Accrued, unused sick leave may be carried over to succeeding years, but will not be paid out when an employee's employment with the City ends.

- 10.3 Employees shall be granted sick leave: (1) to recuperate from or receive treatment for personal injuries or illnesses; (2) to care for an injured or ill family member; or (3) to attend the employee's own or a family member's medical, dental, or optometry appointments.

In addition, in the event of the death of an employee's family member, the employee may take up to three (3) consecutive shifts of paid time off for bereavement. In extreme circumstances, the Police Chief may allow the employee to take additional time off in the form of accrued sick leave or vacation or treated as leave without pay.

For the purpose of this section, the term "family member" shall be defined as: spouse, child, sibling, parent, grandchild, grandparent or registered domestic partner; the aforementioned either natural, step, legally adopted, or in-law or any person over which the employee acts as legal guardian. It also includes a verifiable current member of the immediate household as the employee.

- 10.4 An employee who is absent because of a personal injury or illness or the injury, illness, or death of a family member must notify the employee's supervisor as soon as possible on the first day of the absence. An employee who needs to be absent to attend a medical, dental or optometry appointment must have the absence approved in advance by the employee's supervisor.
- 10.5 Sick leave may not be taken as vacation time, nor compensated in cash at any time, except as provided for in this article.
- 10.6 If an absence is for more than three (3) consecutive workdays and/or if it is covered by workers' compensation, the pregnancy disability provisions of the California Fair Employment and Housing Act, the California Family Rights Act, or the federal Family and Medical Leave Act, the City may require the employee to provide a medical certificate supporting the need for the absence.
- 10.7 Time off to take a physical examination for induction into or recall to active duty with the Armed Forces will be handled in accordance with applicable state and federal law.
- 10.8 An employee making a blood donation without charge will be given reasonable time off for that purpose. No charge will be made against the employee's sick leave or vacation when the absence is approved in advance by the employee's supervisor.
- 10.9 During the first pay period of each fiscal year, any regular employee who has accrued and maintains a minimum of one hundred (100) hours of sick leave will be permitted to convert up to ninety-six (96) hours of accrued, unused sick leave to vacation at ratio of twenty four (24) hours of sick leave to eight (8) hours of vacation. However, an employee will not be permitted to convert sick leave to vacation if the conversion would cause the employee to exceed the vacation accrual maximum specified in Article 24.
- 10.10 Any regular employee applying for retirement with the Public Employees' Retirement System may convert accrued and unused sick leave to service time at the rate specified in California Government Code section 20965.
- 10.11 Nothing in this Article precludes the City from taking appropriate action in the event of abuse of sick leave.

ARTICLE 11. ASSOCIATION RIGHTS

- 11.1 The City recognizes the right of the CPMA to govern its internal affairs.
- 11.2 The parties to this Memorandum fully support the concept of the Public Safety Officers Procedural Bill of Rights Act, Sections 3300, et seq., of the Government Code.
- 11.3 Upon the receipt of a written request and authorization from an employee for deduction of CPMA dues and other lawfully permitted deductions, the City shall withhold such dues and deductions from the salary of the employee and remit the withholdings to the CPMA. The City shall continue to withhold such deductions unless the employee files a statement with the City withdrawing authorization for the continued withholding of the deductions during the month of March of any year covered by the term of this Memorandum. The effective date of withholding, time of remitting withholdings to the CPMA, and all procedural matters shall be determined in accordance with the Rules and Regulations of the City.
- 11.4 The CPMA shall provide and maintain with the City a current list of the names and all authorized representatives of the CPMA. An authorized representative shall not enter any work location without the consent of the Police Chief or his designee or the City Manager or his designee. The Police Chief or his designee shall have the right to make arrangements for a contact location removed from the work area of the employee.
- 11.5 The CPMA shall be allowed to designate employee representatives to assist employees in:
 - 11.5.1 Preparing and presenting material for Disciplinary Appeals hearings;
 - 11.5.2 Preparing and presenting material for any matter for which representation is granted pursuant to the provisions of California Government Code Sections 3300, et seq., known as the Public Safety Officers Procedural Bill of Rights Act.
- 11.6 Designated employee representatives shall be allowed reasonable release time from regularly scheduled duties to attend meet and confer sessions with the City.
- 11.7 Designated employee representatives requesting time off under this Article shall direct such request to their immediate supervisors in writing within a reasonable time period to the date requested, in order to assure that the Department meets its staffing needs and to assure sufficient coverage of departmental assignments.
- 11.8 The City will furnish bulletin board space in the Police Department for the exclusive use of the CPMA. Material placed on the bulletin boards shall be at the discretion of the CPMA and shall be removed by management only in the event the material is obviously offensive to good taste or defamatory, and shall be removed only on prior notification to a CPMA representative. The CPMA shall be responsible for maintaining bulletin boards exclusively used by the CPMA in an orderly condition and shall promptly remove outdated materials.
- 11.9 Use of City Facilities
 - 11.9.1 The CPMA may, with the prior approval of the City Manager, be granted the use of the City facilities for off-duty meetings of CPMA members, provided space is available. All such requests will be in writing to the City Manager.

- 11.9.2 The use of City equipment other than items normally used in the conduct of business meetings, such as desks, chairs and blackboards, is strictly prohibited, the presence of such equipment in approved City facilities notwithstanding.

ARTICLE 12. OVERTIME

- 12.1 Overtime Pay: Lieutenants shall be entitled to overtime compensation at the premium rate of one and one-half (1-1/2) times the employee's regular rate of pay for all time worked, or regarded as having been worked because the employee is on an approved paid leave, in excess of the employee's regularly scheduled work day and/or in excess of eighty (80) hours per fourteen (14) day work period.
- 12.2 Comp. Time Option: Lieutenants shall have the option (with the exception of "Pay Only Details") of receiving compensatory time off at the premium rate in lieu of cash, subject to a maximum accumulation of one hundred (100) hours of compensatory time off. When a Lieutenant has accumulated the maximum number of hours of compensatory time off, he/she shall receive all overtime compensation in cash until such time as the Lieutenant's compensatory time off bank is no longer at the maximum.
- 12.3 Comp. Time Exception: Special details where the City is reimbursed for employees' compensation from an outside entity shall be for pay only. Lieutenants volunteering for such details are not eligible for compensatory time off in lieu of cash.

ARTICLE 13. CALL BACK

- 13.1 Only Lieutenants are eligible for Call Back Pay as described in this article.
- 13.2 Description: If an employee is required to return to his or her place of employment or other work location directed by the employer at a time that is not part of the employee's regularly scheduled work shift, that employee shall receive appropriate overtime pay, as described in Article 17, for the actual number of hours worked, subject to the following:
- 13.3 Scheduled Call Back Minimum: For Call Backs scheduled in advance, such as for training or firearms qualification, the employee shall receive a minimum of two hours of appropriate overtime compensation.
- 13.4 Non-scheduled Call Back Minimum: For Call Backs not scheduled in advance, the employee shall receive a minimum of four hours of appropriate overtime compensation.
- 13.5 Travel Time: Employees who are called back shall receive travel time to and from the call back assignment. Travel time is included as part of the call back minimum compensation or the call back overtime if the call back (travel time plus detail time) exceeds the approved minimum guarantees. The maximum approved travel time is set as follows:
- (a) Police Department: If the call back is to the Carlsbad Police Department or other site within a 20 mile radius of the Carlsbad Police Department, the travel time is capped at a maximum of one hour.

- (b) Other Site: If the call back is to a site outside of the 20 mile radius of the Carlsbad Police Department, travel time shall be the actual amount of time required to drive to the call back site and return to employee's residence.
- 13.6 Transportation: Mileage reimbursement for expenses to the Carlsbad Police Department or to any site within a 20 mile radius of the Carlsbad Police Department will not be compensated. If an employee is directed to a site beyond a 20 miles radius of the Carlsbad Police Department, the employee will receive mileage reimbursement for expenses to and from the directed site or the round trip distance between the directed site and the Carlsbad Police Department, whichever is less.
- 13.7 Contiguous Time: These minimums shall not apply to situations where the call back is contiguous with the commencement or end of the employee's regularly scheduled work shift. In that situation, the employee shall receive applicable overtime compensation for all time actually worked beyond the regularly scheduled work shift.

ARTICLE 14. SENIORITY

- 14.1 The seniority of an employee is based on the number of calendar months of continuous service in the Carlsbad Police Department. Within a rank, the seniority of an employee is based on the number of calendar months of continuous service in the Carlsbad Police Department in that rank. An employee promoted to a higher rank and later demoted back to the original rank shall have seniority calculated for all time of continuous service in the higher rank and the original rank combined.
- 14.2 If an employee voluntarily leaves the City's employ or is dismissed for cause, the employee will lose all seniority credited prior to then. Reemployment will not restore the lost seniority. Instead, if an employee is reemployed, seniority will be based on the reemployment date. This section does not apply to employees who successfully appeal a termination for cause and are ordered to be reinstated to employment.
- 14.3 An employee laid off will, after reinstatement, regain the seniority credit the employee possessed at the time of layoff, provided the reinstatement occurs within twenty-four (24) months of the layoff.
- 14.4 A leave of absence in excess of thirty (30) continuous days will not count as continuous service for the purpose of determining seniority.

ARTICLE 15. PEACEFUL PERFORMANCE OF CITY SERVICES

- 15.1 During the term of the Memorandum, the CPMA, its representatives, or members shall not engage in, cause, instigate, encourage or condone a strike or work stoppage of any kind against the City of Carlsbad.
- 15.2 During the term of the Memorandum, the City will not instigate a lockout over a dispute with the employees.
- 15.3 As used in this section, "strike or work stoppage" means the concerted failure to report for duty, the willful absence from one's position, the stoppage of work, or the abstinence in whole or in part from the full, faithful performance of the duties of employment for the purpose of inducing,

influencing or coercing a change in the conditions of compensation, or the rights, privileges or obligations of employment.

ARTICLE 16. DISCIPLINE OF AN EMPLOYEE

16.1 The City may only discipline regular employees for just cause. In the case of disciplinary action involving suspension, demotion or discharge, the employee shall be given notice of the action to be taken, the evidence or materials upon which the action is based, and an opportunity to respond to the Police Chief either orally or in writing, provided the employee requests the opportunity within seven (7) calendar days of the notice of the action. The above process will occur prior to the imposition of the discipline.

16.2 Except as provided in Section 22.4, all employees have the right to appeal their discipline according to the appeal procedure as set out below. Written notice of discipline shall inform and remind the disciplined employee of this right.

Hearing Officer. The employee or employee organization and the City will attempt to develop a permanent list of five (5) mutually acceptable hearing officers. If a mutually acceptable list cannot be developed, the parties agree that the advisory hearing will be conducted before a hearing officer selected by the parties from a list provided by the California State Mediation and Conciliation Service. If the parties cannot mutually agree on the hearing officer they will use a strikeout procedure using a list of seven names provided by the California State Mediation and Conciliation Service. The appellant will have the prerogative of striking the first name.

The City will bear all administrative costs associated with an appeal of discipline and the subsequent hearing including the hearing officer, court reporter and transcription costs, if any.

The employee or employee organization will be responsible for the cost of his or her own representation or attorney fees and preparation of documents.

16.3 Once discipline has been imposed, the Police Chief or an authorized designee shall specify the period of time, from two to four years that the discipline will remain in the affected employee's personnel records, unless a longer period is required by law. At the end of the designated period of time, the disciplinary action shall be removed from the employee's personnel file. It is the responsibility of the employee to initiate a request for removal of disciplinary action from the employee's personnel file. The only permitted use of the removed disciplinary action shall be in a later disciplinary proceeding where there is an allegation of similar or cumulative activity or misconduct.

16.4 Nothing in this Memorandum shall be construed to require "cause" or "just cause" for the rejection of a probationary employee prior to the expiration of the probationary period. A probationary employee rejected during the probationary period shall not be entitled to appeal such rejection to the Hearing Officer, but shall be entitled to an opportunity to discuss the rejection with the Police Chief.

16.5 Right of Appeal. Any regular employee shall, within seven (7) calendar days, have the right to appeal to the Hearing Officer any disciplinary action.

16.6 Method of Appeal. Appeals shall be in writing, subscribed by the appellant, and filed with the Human Resources Director, who shall, within ten (10) calendar days after receipt of the appeal,

inform the Hearing Officer of the action desired by the appellant and the reasons why. The formality of a legal pleading is not required.

- 16.7 Notice. Upon the filing of an appeal, the Human Resources Director shall set a date for the hearing on the appeal not less than ten (10) calendar days nor more than thirty (30) calendar days from the date of filing, unless the parties mutually agree to a later hearing date. The Human Resources Director shall notify all interested parties of the date, time, and place of the hearing.
- 16.8 Hearings. Unless physically unable to do so, the appellant shall appear personally before the Hearing Officer at the time and place of the hearing. The appellant may be represented at the hearing by any person or attorney the appellant selects and may produce any relevant oral or documentary evidence. The City shall bear the burden of proof; therefore, the City shall state its case first and, at the conclusion, the appellant may then present evidence. Rebuttal matter not repetitive may be allowed in the discretion of the Hearing Officer. Cross-examination of witnesses shall be permitted. The conduct and decorum of the hearing shall be under the control of the Hearing Officer, with due regard to the rights and privileges of the parties appearing before it. Hearings need not be conducted according to technical rules relating to evidence and witnesses. Hearings will be closed unless at least four (4) business days prior to the hearing the appellant, in writing, requests an open hearing. At the conclusion of the hearing, the hearing officer will make a recommendation. If either party disagrees with the Hearing Officer's recommendation, that party may request, within ten (10) calendar days, to present their case to the City Council before the City Council renders a final decision.
- 16.9 Findings and Recommendations. The Hearing Officer shall, as soon as possible after the conclusion of the hearing, certify his/her findings and decisions in writing to the City Council and to the appellant. The City Council shall review the findings and recommendations of the Hearing Officer and may then affirm, revoke or modify the action taken as, on its judgment, seems warranted, and the action taken shall be final. The Hearing Officer may submit a minority or supplemental finding and recommendation. In the case of suspension, discharge or demotion, the appointing power shall reinstate an employee to the employee's former status if the City Council determines that the action was for discriminatory reasons.

ARTICLE 17. RETIREMENT BENEFITS

- 17.1 The City agrees to continue to pay the employer's contribution rate required by the California Public Employees' Retirement System (CalPERS) to maintain the level of benefits for employees covered by this Memorandum.
- 17.2 The City will contract with CalPERS to provide the "3% @ 50" retirement benefit for all sworn CPMA-represented safety employees except those who are eligible for the 2nd tier retirement benefit described in Article 17.5.
- 17.3 The City will pay on behalf of all sworn CPMA-represented safety employees eight percent (8%) of the employee's retirement contribution rate to CalPERS. The one percent (1%) employee contribution will be deducted from each employee's salary on a pre-tax basis by implementing provisions of Section 414(h)(2) of the Internal Revenue Code (IRC).
- 17.4 The City shall report the value of Employer Paid Member Contributions (EPMC) as additional (special) compensation to CalPERS for all CPMA represented employees.

- 17.5 As soon as administratively possible following ratification of this agreement, the City will amend its contract with CalPERS to provide a 2nd tier retirement benefit to all sworn CPMA-represented safety employees hired on or after the effective date of the CalPERS contract amendment. This 2nd tier includes the “2% @ 50” retirement benefit and the 3-year Final Average Earnings (FAE) for final compensation calculations.

The City shall take the necessary steps to propose to the electorate an amendment to the Charter of the City of Carlsbad in the November 2010 election which would prohibit safety employees entering membership for the first time in a City of Carlsbad police safety classification on or after October 4, 2010 from having their retirement benefit formula (commonly known as the 2% @ 50 years of age formula) increased without the approval of the electorate. The City Council may reduce this formula as provided in state law without such an amendment.

ARTICLE 18. FLEXIBLE BENEFITS PROGRAM

- 18.1 Employees represented by the CPMA will participate in a flexible benefits program that includes medical insurance, dental insurance, vision insurance and flexible spending accounts (FSAs). Each of these components is outlined below.

- 18.2 Medical Insurance: During the entire term of this agreement, represented employees will be covered by the Public Employees’ Medical and Hospital Care Act (PEMHCA) and will be eligible to participate in the CalPERS Health Program. The City will pay on behalf of all employees covered by this agreement and their eligible dependents and those retirees designated in Section 25.5 of this Article, the minimum amount per month required under Government Code Section 22892 of the PEMHCA for medical insurance through the California Public Employees’ Retirement System (CalPERS). If electing to enroll for medical benefits, the employee must select one medical plan from the variety of medical plans offered.

Effective the first payroll period of calendar year 2010, the City shall contribute the following monthly amounts (called “Benefits Credits”) on behalf of each active employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS Health Program, 2) contributions in the name of the employee to the City’s flexible spending account(s), or 3) contributions of some or all of the premium for dental coverage or vision coverage:

- (a) For employees with “employee only” coverage, the City shall contribute four hundred ninety-eight (\$498) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City’s total contributions, the employee will pay the difference.
- (b) For employees with “employee plus one dependent” coverage, the City shall contribute nine hundred fifty dollars (\$950) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City’s total contributions, the employee will pay the difference.
- (c) For employees with “employee plus two or more dependents” coverage, the City shall contribute one thousand two hundred forty-eight dollars (\$1,248) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City’s total contributions, the employee will pay the difference.

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash. If the amount contributed by the City (Benefits Credits) exceeds the cost of the

medical and dental insurance purchased by the employee, the employee will have the option of using any "excess credits" to purchase vision insurance or to contribute to a healthcare or dependent care flexible spending account (FSA).

18.3 Dental Insurance

Employees will be eligible to enroll in a City-sponsored dental plan. Should an employee elect to enroll for medical benefits, he/she must also enroll in dental coverage at the same coverage level (employee only, employee plus one dependent, employee plus two or more dependents) as medical insurance.

18.4 Vision Insurance

Employees will be eligible to enroll in a City-sponsored vision insurance plan. Employees may elect to purchase vision insurance or opt out of the vision insurance program. If the decision is made to purchase vision insurance, an employee may purchase vision insurance at any level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

18.5 Opt Out Provision

Employees who do not wish to participate in the CalPERS Health Program will have the choice of opting out of the City's medical insurance program, provided they can show that they are covered under another insurance program.

Effective the first full pay period in calendar year 2010, employees who elect this provision will be given a reduced City contribution amount (Benefits Credits) of two hundred seventy-one (\$271) per month, to be used toward the purchase of dental insurance, vision insurance, or as a contribution to a flexible spending account. The City contribution amount of two hundred seventy-one dollars (\$271) per month will be granted to any employee who elects to opt out of the CalPERS Health Program, regardless of the employee's level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash.

18.6 Each retired employee who was a member of this bargaining unit is covered by the Public Employees' Medical and Hospital Care Act and is eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. Represented employees who retire from the City, either service or disability and receive a retirement allowance from CalPERS, shall be eligible to continue their enrollment in the CalPERS Health Program when they retire, provided that the individual is enrolled or eligible to enroll in a CalPERS medical plan at the time of separation from employment and their effective date of retirement is within 120 days of separation. The City will contribute the minimum amount per month required under Government Code Section 22892 of the PEMHCA toward the cost of each retiree's enrollment in the CalPERS Health Program. Direct authorization may be established for automatic deduction of payments for health insurance administered by CalPERS.

Employees who retire from the City, either service or disability, shall be eligible to continue to participate in the City's dental and/or vision insurance programs. The cost of such dental and/or vision insurance for the employee and eligible dependents shall be borne solely by the employee. The City shall not charge the COBRA administrative cost to the retirees.

The retiree must make arrangements with the City to prepay his/her monthly premiums for dental and/or vision insurance and must keep such payments current to ensure continued coverage.

ARTICLE 19. UNIFORM REIMBURSEMENT

Reimbursement to represented employees for the cost of purchasing and maintenance of required uniforms shall be \$26.92 per pay period.

ARTICLE 20. VEHICLES FOR INVESTIGATIONS

Each represented employee who is working in the assignment of Investigations Lieutenant, Traffic Lieutenant, and all Police Captains shall be assigned a designated vehicle and shall be entitled to use the vehicle on each duty shift; provided, however, such assignment of a designated vehicle is expressly conditioned on the availability of vehicles and does not extend to any Lieutenant/Captain assigned in addition to the number assigned as of the date of this Memorandum.

ARTICLE 21. LONG TERM DISABILITY

During the term of this Memorandum, City agrees to continue to provide long term disability insurance. The insurance shall provide for a thirty (30) day waiting period prior to payment eligibility. In all other respects, the insurance shall continue unchanged.

ARTICLE 22. LEAVE OF ABSENCE

22.1 Occupational Injuries or Illnesses

- 22.1.1 A sworn employee who is temporarily unable to work due to an occupational illness or injury will receive full pay for up to one year as provided in Section 4850 of the Labor Code ("4850 benefits"). The employee may not receive 4850 benefits concurrently with sick leave or any other form of paid time off.

If the employee continues to be unable to work after the employee's 4850 benefits have been exhausted and the employee has not been retired, the employee will receive workers' compensation temporary disability payments (or, if appropriate, vocational rehabilitation maintenance allowance payments) as provided in the Labor Code. To the extent these benefits are less than the employee's full regular pay, the employee shall supplement them by using accrued sick leave, vacation, and/or compensatory time to reach the amount equal to the employee's full regular pay until the employee's leave balances reach zero, at which time the employee would commence an unpaid leave of absence.

22.2 Non-Occupational Injuries or Illnesses

- 22.2.1 An employee who is temporarily unable to work due to a non-occupational illness or injury will receive those disability benefit payments for which the employee is eligible and applies. To the extent that these benefits are less than the employee's full regular pay, the employee shall supplement them by using accrued sick leave, vacation, and/or compensatory time to reach the amount equal to the employee's full regular pay until the employee's leave balances

reach zero, at which time the employee would commence an unpaid leave of absence.

- 22.2.2 Leaves of absence for pregnancy-related disabilities will be handled in the same manner as leaves of absence for non-occupational illnesses or injuries, subject to the pregnancy disability provisions of the California Fair Employment and Housing Act.

22.3 Leave of Absence Without Pay

A. General Policy

Any employee may be granted a leave of absence without pay pursuant to the recommendation of the Police Chief and the approval of the City Manager.

B. Authorization Procedure

Requests for leave of absence without pay shall be made upon forms prescribed by the City Manager and shall state specifically the reason for the request, the date when the leave is desired to begin, the probable date of return, and the agreement to reimburse the City for any benefit premiums paid by the City during the leave of absence. The request shall normally be initiated by the employee, but may be initiated by the Police Chief, and, upon written recommendation of the Police Chief that it be granted, modified or denied, shall be promptly transmitted to the City Manager. A copy of any approved request for leave of absence without pay shall be delivered promptly to the Directors of Finance and Human Resources.

C. Length of Leave and Extension

A leave of absence without pay may be made for a period not to exceed six months, unless otherwise approved by the City Manager. The procedure for granting extensions shall be the same as that in granting the original leave provided that the request for extension is made no later than fourteen (14) calendar days prior to the expiration of the original leave.

D. Return From Leave

When an employee intends to return from an authorized leave of absence without pay either before or upon the expiration of such leave, he/she shall contact the Police Chief at least fourteen (14) calendar days prior to the day he/she plans to return. The Police Chief shall promptly notify the City Manager of the employee's intention. The employee shall return at a rate of pay not less than the rate at the time the leave of absence began.

E. Effect of Leave Without Pay

An employee shall utilize all his/her vacation, and/or sick leave (if applicable) prior to taking an authorized leave of absence without pay.

A prorata reduction of normal annual vacation and sick leave accruals shall be applicable to an approved absence without pay. Any absence without pay constitutes a break of continuous service with the City. The granting of any leave without pay exceeding two full scheduled pay periods shall cause the employee's calculation of full-time continuous service to be extended by the number of calendar days for which such leave has been granted less the first two full pay periods of such leave.

An employee's accumulation of sick leave and vacation leave will cease after the completion of two (2) full scheduled pay periods in which the employee has not received compensation due to a leave of absence without pay. Accrual will be reinstituted beginning the first day of the first full pay period after the employee has returned to work.

F. Leave Without Pay - Insurance Payments

An employee on leave without pay may continue his/her City insurance benefits by reimbursing the City for the costs of insurance on a monthly basis during the period of the leave. Failure to reimburse the City for such benefits during the term of a leave of absence will result in the employee's coverage terminating on the first day following the month in which the last payment was received.

22.4 To the extent permitted by law, a leave of absence under this article will run concurrently with any leave of absence an employee is entitled to receive under the California Family Rights Act or the federal Family and Medical Leave Act.

22.5 Police Captains are exempt from overtime requirements under the Fair Labor Standards Act. Police Captains are paid on a salary basis versus an hourly basis. Pursuant to FLSA regulation 29 CFR Section 541.5d, the City can make deductions from salary or leave accounts for partial day absences for personal reasons or sickness because the City has a policy and practice of requiring its employees to be accountable to the public that they have earned their salaries. A partial day absence is an absence of less than the employee's regular work day. Pursuant to FLSA regulation 29 CFR Section 541.118 (a) (2) and (a) (3), the City may make salary or leave reductions based upon full day absences. Partial day or full day absences shall be first charged against the exempt employee's vacation, sick, or executive leave account. In the event the exempt employee does not have sufficient time in his/her leave account to cover the absence, deductions without pay will be made on full days only.

22.6 Jury Duty

When called to jury duty, an employee shall be entitled to his/her regular compensation. Employees released early from jury duty shall report to their supervisor for assignment for the duration of the shift. Employees shall be entitled to keep mileage reimbursement paid while on jury duty.

A Department Head may, at his/her sole discretion, contact the court and request an exemption and/or postponement of jury service on behalf of an employee.
Employees released early from jury duty shall report to their supervisor for assignment for the duration of the work day. At the discretion of the supervisor, an employee may be released from reporting back to work if an unreasonable amount of the work day remains in light of travel time to the job site after release.

ARTICLE 23. DISABILITY RETIREMENT

An employee's eligibility for disability retirement will be determined in accordance with the standards and procedures contained in California Government Code sections 20000 et seq.

ARTICLE 24. VACATION

- 24.1 All members of this bargaining unit shall be entitled to accrue vacation on a bi-weekly basis according to the number of continuous full years of employment based on the following vacation accrual schedule:

Beginning with the first (1st) working day through the completion of five (5) full calendar years of continuous service – 3.08 hours biweekly

Beginning the sixth (6th) year of continuous employment through the completion of ten (10) full calendar years of continuous service – 4.62 hours biweekly

Beginning the eleventh (11th) year of continuous employment through the completion of eleven (11) full calendar years of continuous service – 4.92 hours biweekly

Beginning the twelfth (12th) year of continuous employment through the completion of twelve (12) full calendar years of continuous service – 5.23 hours biweekly

Beginning the thirteenth (13th) year of continuous employment through the completion of thirteen (13) full calendar years of continuous service – 5.54 hours biweekly

Beginning the fourteenth (14th) year of continuous employment through the completion of fifteen (15) full calendar years of continuous service – 5.84 hours biweekly

Beginning the sixteenth (16th) year of continuous employment, vacation time shall be accrued, and remain at a rate of 6.15 hours biweekly for every full calendar year of continuous employment thereafter.

Management employees with comparable service in local government agencies may be granted credit for such service for the purpose of computing vacation at the discretion of the City Manager.

24.2 Vacation Accrual Maximum

No employee will be allowed to accrue vacation hours in excess of the three hundred and twenty (320) hour maximum.

The Police Chief will encourage the taking of accrued vacation leave. Although employees are responsible for actively managing their leave balances, the Police Chief will not unreasonably

deny requests for vacation time off. If there are unusual circumstances that would require an employee to exceed the vacation accrual maximum, he/she must submit a request in writing to the Police Chief and the City Manager. The Police Chief and the City Manager may grant such a request if it is in the best interest of the City. Requests will be handled on a case-by-case basis and will be considered only in extreme circumstances.

24.3 Vacation Conversion

Once each January, employees will be allowed to voluntarily convert up to eighty (80) hours of accrued vacation to cash, provided they have used at least eighty (80) hours of vacation during the pay periods that fall within the prior calendar year.

24.4 Compensation for City Work During Vacation

Occasionally employees on vacation leave are needed for work assignments. Employees returning to work during vacation leave will be compensated as follows:

- (a) Court – For Lieutenants only, mandated court appearances during the time of an employee's paid vacation leave from City service will be compensated at time and one half the employee's regular rate of pay, with a minimum of four (4) hours.
- (b) Duty Time – Employees returning to their regularly scheduled work time while on vacation leave shall be paid their applicable regular rate of pay and not be charged the corresponding vacation time.
- (c) Non-Duty Time – Lieutenants returning to work at a time other than their regularly scheduled work time while on vacation leave shall be paid at time and one half the employee's regular rate of pay.
- (d) Recall – This clause shall not limit the City's right to recall an employee from vacation in the event of an emergency.

24.5 Scheduling Vacations

An employee may take his/her annual vacation leave at any time during the year, contingent upon determination by the Police Chief that such absence will not materially affect the department. Each employee must consider the needs of the service when requesting annual vacation leave. An employee shall normally provide forty-eight (48) hours notice in advance of the day(s) he/she is requesting vacation time off. When a family emergency arises which necessitates the use of vacation time, an employee shall provide as much advance notice as possible considering the particular circumstances.

24.6 Terminal Vacation Pay

An employee with regular status separating from the City service who has accrued vacation leave shall be entitled to terminal pay in lieu of such vacation. No leave credit will be earned on terminal leave payments. When separation is caused by death of an employee, payment shall be made to the estate of such employee or, in applicable cases, as provided in the Probate Code of the State.

ARTICLE 25. HOLIDAYS

25.1 The City agrees to observe twelve (12) scheduled paid holidays plus one (1) paid floating holiday per year. Any floating holiday is to be taken at the discretion of the employee with the prior approval of the employee's immediate supervisor. The holiday schedule shall not interfere with, influence, or otherwise change the scheduling of shift employees by the department.

25.2 The holiday schedule for the term of this agreement is as follows:

New Year's Day
Martin Luther King's Birthday
Lincoln's Birthday (Monday before President's Day)
Washington's Birthday (Use President's Day)
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Thanksgiving Friday
Christmas Day
One (1) Floating Holiday

25.3 Lieutenants who work a 5/8 schedule will be paid eight (8) hours of straight time for each holiday. Lieutenants who work a 9/80 schedule will be paid nine (9) hours of straight time for each holiday, except when the holiday falls on their eight (8) hour day, in which case they will be paid eight (8) hours of straight time. Lieutenants who work a 4/10 schedule will be paid ten (10) hours of straight time for each holiday. Lieutenants who work a 3/12 schedule will be paid twelve (12) hours of straight time for each holiday.

25.4 Lieutenants will be compensated in cash or compensatory time off (CTO) for holidays in the pay period in which they occur. Lieutenants scheduled to work on a holiday who desire the day off will utilize vacation or CTO.

For purposes of this section, a shift trade will be considered part of an employee's regularly scheduled work shift.

ARTICLE 26. ALCOHOL AND DRUG POLICY

I. POLICY

It is the policy of the City of Carlsbad to provide, for its employees, a work environment free from the effects of drugs and alcohol consistent with the directives of the Drug Free Workplace Act. The City of Carlsbad agrees to use a clinical laboratory which is certified by the National Institute on Drug Abuse (NIDA), now known as the Substance Abuse & Mental Health Services Administration (SAMHSA). All procedures and protocols for collection, chain of custody and testing will be conducted consistent with standards required under SAMHSA certification. This policy will be interpreted consistent with the provisions of the Public Safety Officers Procedural Bill of Rights (Government Code Section 3300 et seq.). This policy is intended to accomplish that objective.

A. Definitions - As Used in This Policy:

1. "Drug" means any substance which produces a physical, mental, emotional or behavioral change in the user, including but not limited to, prescription medications, heroin, cocaine, morphine and its derivatives, P.C.P., methadone, barbiturates, amphetamines, methamphetamines, alcohol, marijuana, and other cannabinoids.
2. "Workplace" means any site where City-assigned work is performed, including City premises, City vehicles or other premises or vehicles, while City-assigned work is being conducted, or within a reasonable time thereafter.
3. "Reasonable suspicion" means a standard for evidence or other indication of impairment of normal physical or mental skills by alcohol or drugs where such impairment could negatively affect work performance or could pose a threat to public or employee safety.

B. Employee Responsibilities

1. As a condition of employment, employees shall:
 - a. not engage in the unlawful manufacture, distribution, dispensation, possession or use of alcohol or drugs nor be under the influence of alcohol or drugs in the workplace or while on-call;
 - b. submit to an alcohol and drug analysis and remain on the premises when requested to do so by City management, acting pursuant to this policy, or by law enforcement personnel;
 - c. notify the City of any conviction under a criminal drug statute (including any pleas of nolo contendere), if such conviction was based on a violation which occurred in the workplace, no later than five days after such conviction;

(notification under this subsection does not relieve an employee from the disciplinary consequences of the conduct upon which a criminal conviction is based); and
 - d. abide by all terms of this policy.
2. Employees are required to notify their supervisors when taking any medication or drugs, prescription or non-prescription (over-the-counter medications), which interfere with safe or effective performance of their duties or operation of City equipment.
3. Off-duty involvement with any controlled substance including, but not limited to manufacture, distribution, dispensing, possession, use or any conviction under a criminal drug statute whose scope and employment are relevant to City employment may result in disciplinary action up to and including termination if there is relevant nexus between such off-duty involvement and the employee's employment with the City, consistent with the legal requirements for disciplinary due process.

C. Consequences of Violation of Policy

1. Failure to abide by the terms of this policy shall be grounds for disciplinary action, up to and including termination.
2. In addition to any disciplinary action, an employee who fails to abide by this policy may also be directed or allowed to satisfactorily participate in an approved alcohol or substance abuse assistance or rehabilitation program.

II. DRUG AND ALCOHOL ANALYSIS

A. Pre-employment Drug and Alcohol Analysis

1. Upon receiving a conditional offer of employment, an otherwise successful candidate must submit to a drug and alcohol analysis. At the City's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
2. Persons whose results are positive for either drugs or alcohol will be rejected for City employment.

B. Employee Drug and Alcohol Analysis

1. If a manager or supervisor of the City has reasonable suspicion that an employee is under the influence of drugs or alcohol while in the workplace or subject to duty, the employee shall be:
 - a. Prevented from engaging in other work; and
 - b. Required to submit to a drug and alcohol analysis. At the City's discretion, this analysis may be in the form of "breathalyzer," urine, or blood analysis.
 - c. An employee may also be required to remain on the premises for a reasonable time until arrangements can be made to transport the employee to his or her home.
2. Some examples of "reasonable suspicion" as defined in Section 1.A.3. include, but are not limited to, the following, when confirmed by more than one person having supervisory authority:
 - a. slurred speech.
 - b. alcohol odor on breath;
 - c. unsteady walking or movement not related to prior injury or disability;
 - d. an accident involving City property having no obvious causal explanation other than possible employee responsibility;

- e. physical or verbal behaviors that are disruptive, non-responsive, unusual for that employee or otherwise inappropriate to the workplace situation;
 - f. attributable possession of alcohol or drugs;
 - g. information obtained from a reliable person with personal knowledge that would lead a reasonably prudent supervisor to believe that an employee is under the influence of alcohol or drugs.
3. Refusal to remain on the premises or to submit to a drug and alcohol analysis when requested to do so by City management or by law enforcement officers shall constitute insubordination and shall be grounds for discipline, up to and including termination.
 4. A drug and alcohol analysis may test for the presence of any drug which could impair an employee's ability to effectively and safely perform the functions of his or her job.
 5. A positive result from a drug and alcohol analysis may result in disciplinary action, up to and including termination.
 6. City agrees to take steps to protect the chain of custody of any drug test sample.
 7. Employee will be placed on paid administrative leave pending the completion of any testing process and any investigation deemed necessary by the City.

III. EMPLOYEE ASSISTANCE PROGRAM

- A. The City has a well established voluntary Employee Assistance Program (EAP) to assist employees who seek help for substance abuse problems. The EAP is available for assessment, referral to treatment, and follow-up. Any employee of the City wishing confidential assistance for a possible alcohol or drug problem can call the EAP office and arrange for an appointment with a counselor.
- B. Employees who are concerned about their alcohol or drug use are strongly encouraged to voluntarily seek assistance through the EAP. All self-referral contacts are held in confidence by the EAP.
- C. Participation in the employee assistance program will not replace normal disciplinary procedures for unsatisfactory job performance or for violation of any City policy.

ARTICLE 27. EMPLOYER SEARCHES

For the purpose of enforcing City or Department policies, directives, and work rules, the City reserves the right to search, with or without prior notice to the employee, all work areas and property in which the City maintains full or joint control with the employee, including, without limitation, City vehicles, desks, lockers, file cabinets, and bookshelves. These areas and property remain part of the workplace context

even if the employee has placed personal items in them. Employees are cautioned against storing personal belongings in work areas and property under full or joint City control since such work areas may be subject to investigation or search under this article.

Employer searches may occur when there is a reasonable suspicion that the employee has violated a City or Department policy, directive, or work rule and that the area or property to be searched may contain evidence of that violation. Searches will be conducted by persons having supervisory and/or other legal authority to conduct them. Searches will not normally occur without the concurrence of more than one supervisor.

If the Public Safety Officers Procedural Bill of Rights Act (Government Code sections 3300 et seq.) is applicable to a particular search, then the City will comply with the Act notwithstanding anything to the contrary in this article.

Nothing in this article will prevent the City from taking appropriate action if there is inadvertent discovery of evidence of a policy, directive, or work rule violation.

ARTICLE 28. PERFORMANCE MANAGEMENT AND COMPENSATION SYSTEM FOR MANAGEMENT EMPLOYEES

All CPMA members shall be subject to Administrative Order No. 66 titled "Performance Management and Compensation System for Management Employees" and the Management Compensation and Benefits Plan that are in place on the ratification of this memorandum of understanding, or as modified herein, but only as to salary and/or incentive plan. As a result, CPMA agrees to waive any obligation by the City to meet and confer with CPMA over implementation of the provisions of Administrative Order No. 66 and/or the Management Compensation and Benefits Plan.

Future changes to Administrative Order No. 66 and/or the Management Compensation and Benefits Plan as to salary and/or incentive plan will require meet and confer, and be subject to the City's Employer/Employee resolution as it relates to negotiations. CPMA agrees that the City may request, at any time, to reopen this agreement to modify Administrative Order No. 66 and/or the salary and/or incentive plan provisions of the Management Compensation and Benefits Plan, and /or this article. CPMA agrees to meet and confer with the City on this issue within a reasonable period of time after the City's request.

ARTICLE 29. EXECUTIVE LEAVE

Police Captains shall receive fifty-six (56) hours per fiscal year for executive leave. The fifty-six (56) hours will be credited at the beginning of each fiscal year to individual leave balances. This leave must be used within the same fiscal year.

The City Manager is authorized to provide ten (10) additional hours of executive leave per year to any management employee who is required to work extended hours due to emergencies such as fires, storms, floods, or other emergencies.

ARTICLE 30. LIFE INSURANCE

All unit members shall receive City paid life insurance in an amount equal to two times the basic yearly earnings. To determine benefits, the amount of insurance is rounded to the next higher \$1,000 multiple, unless the amount equals a \$1,000 multiple. Supplemental Life, at an amount equal to City paid life insurance, is available at the employee's cost. Dependent life is also available at the employee's cost.

ARTICLE 31. SEPARATION COMPENSATION

All employees involuntarily separated from the City service due to budget cutbacks, layoffs, contracting out of service or for other reasons not due to misconduct which would justify involuntary separation shall receive one month's salary computed at the employee's actual salary at the time of separation.

ARTICLE 32. ANNUAL PHYSICAL EXAMINATION AND/OR PHYSICAL FITNESS TESTING

All employees shall be eligible for reimbursement of up to the amount of four hundred fifty dollars (\$450) during each fiscal year to pay the cost of an employee's annual physical examination and/or physical fitness testing.

The annual physical examination may be completed by a physician of the employee's choice. Each employee claiming reimbursement shall be required to submit original receipts to the Human Resources Department in lieu of submitting them to the insurance company for payment.

The annual physical examination offered to unit members provides physical fitness testing and information regarding lifestyle changes that promote optimum health. Program components include, but are not limited to: Computerized Heart Risk Profile, Complete Blood Profile, Nutritional Assessment, Diet Program, Body Measurements, Lung Assessment, Consultations, etc.

ARTICLE 33. ACCIDENTAL DEATH AND DISMEMBERMENT

This is a voluntary program available to any employee who chooses to participate. Employees may select among various levels of coverage which cover accidents and death. The City will pay one-third (1/3) of the cost, the employee pays two-thirds (2/3) and 100% of dependent coverage.

ARTICLE 34. DEFERRED COMPENSATION

The City shall provide deferred compensation plan(s) which may be utilized by any employee. The City reserves the right to accept or reject any particular plan and to impose specific conditions upon the use of any plan.

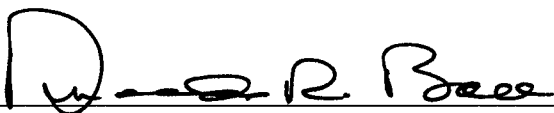
The City and the CPMA agree to work with the City's deferred compensation provider (currently ICMA Retirement Corporation) to implement a personal loan provision for represented employees as soon as administratively possible. It is acknowledged that the City will assist in the administrative set-up of this benefit but that the City has no liability if an employee should default on the repayment of such a loan.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Memorandum to be effective as stated herein.


CITY OF CARLSBAD

 6/30/10
LISA HILDABRAND, City Manager Date

APPROVED AS TO FORM:

 6/30/10.
RONALD R. BALL, City Attorney Date

CARLSBAD POLICE MANAGEMENT ASSOCIATION

 6 22 10
JAY EPPELE, President Date

MANAGEMENT COMPENSATION AND BENEFITS PLAN

SECTION 1: INTRODUCTION

This attachment constitutes the Management Compensation and Benefits Plan, which contains three parts: 1) an introduction, 2) a brief overview of how management performance will be evaluated and how compensation levels will be determined, and 3) a schedule of management benefits.

A. Definitions

1. Management Employees - Management employees are defined as those employees whose classifications are listed on the Management Salary Structure. Except as to those management employees subject to an applicable law, all management employees are considered "at-will" and have no property rights to their position. At will employment with the City may be terminated at any time by either party, with or without cause, for any reason or no reason whatsoever, and with or without advance notice. At will employees do not have the right to appeal.
2. Carlsbad Police Management Association - The City of Carlsbad recognizes the Carlsbad Police Management Association (CPMA) as the exclusive majority representative for the classifications of Police Lieutenant and Police Captain, pursuant to the petition for formal recognition submitted on January 24, 1983 and approved April 22, 1983, in accordance with the Carlsbad Municipal Code.
3. City Council Appointed Employees - The City Manager and City Attorney are hired by and responsible directly to the City Council. The salaries for these positions shall be set by the City Council. The City Manager and City Attorney will not be subject to the provisions of the Performance Management and Compensation program as outlined in Section 2 of this attachment. The schedule of management benefits (as outlined in Section 3 of this attachment) will apply to these positions, except as otherwise provided by the City Council.

SECTION 2: PERFORMANCE MANAGEMENT AND COMPENSATION SYSTEM OVERVIEW

The City Council has delegated its authority to the City Manager (and City Attorney, for management employees in the City Attorney's Office)¹ to administer a Performance Management and Compensation System for management employees, including CPMA represented employees, under the following general guidelines.

¹ Hereafter, all references to the City Manager include, with regard to management employees in the City Attorney's Office, the City Attorney.

The system is comprised of two major components:

- **Performance Management** - emphasizing an employee development approach to performance appraisal, comprised of:
 - ⇒ Alignment of individual contributions with organizational direction,
 - ⇒ Development and demonstration of competencies in the job, and
 - ⇒ Measurement of levels of accomplishment of goals
- **Compensation** - based on a market driven approach to compensation, comprised of:
 - ⇒ Market based salary structure
 - ⇒ Base pay
 - ⇒ Incentive Pay

PERFORMANCE MANAGEMENT

The Performance Management Cycle

The Performance Management Cycle coincides with the fiscal year and includes three separate phases: Performance Planning, Performance Update, and Performance Review.

Major Components of Performance Management

The two major components upon which a management employee's performance is based are:

- the development and demonstration of specific competencies, and
- the accomplishment of goals.

Management Competencies -

All management employees are reviewed and evaluated based on how well they can develop and demonstrate specific competencies. Competencies are the knowledge, skills, abilities, and behaviors that are essential to the success of each management employee.

Goals -

Goals describe how the individual's contribution links and aligns with their department's goals and objectives and ultimately with those of the City Council. Goals are set at the beginning of the performance management cycle, and employees are evaluated at the end of the cycle as to how well they accomplished their assigned tasks for the year.

Link to Compensation

An employee's performance, as evaluated against the selected competencies, is rewarded by a base pay adjustment. Base pay adjustments are ongoing and are added to the employee's annual salary. An employee's performance, as evaluated against the achievement of annual goals, is rewarded by an incentive award. Incentive payouts are one-time cash payments to an employee which do not recur automatically from time to time. Both the base pay increases and the incentive payments comprise the cash compensation available to management employees.

COMPENSATION

The Performance Management and Compensation System is based upon a market based approach to compensation, comprised of:

- A market based salary structure
- A base pay program based on the development and demonstration of competencies
- An incentive pay program based on the measurable achievement of specific goals

Market Based Salary Structure - Base Pay Program

The Management Salary Schedule, attached hereto as Attachment A, establishes a salary grade for each management classification. The City Manager is delegated authority to place employees at any salary within the range, as determined by the appointee's knowledge, skills and abilities. The area of the salary grade between the minimum and the bottom of the market range is intended for inexperienced new hires.

The Human Resources Department will conduct an annual survey of a reasonable number of comparable agencies in San Diego County. Job content, job classification and salary information on each City of Carlsbad classification will be compared with appropriate classifications in the comparator group. The City Council delegates to the City Manager the authority to assign job classifications to a specific salary grade, based on both benchmark salary information and internal relationships within the organization. Changes to the "minimum" and "market range" of each salary grade within this structure shall be approved by the City Council.

The City Council determines the budget amount to be spent on management base pay increases for each fiscal year, and the base pay increase percentages will be determined after all of the performance ratings have been determined. All base pay increases are prospective. Management employees whose current salary is above the maximum of the market range for their assigned salary grade shall continue to be paid at that base rate until their salary falls within the market range, and until such time shall not be eligible for base pay increases.

INCENTIVE PAY PLAN

The Incentive Pay plan is provided in addition to the Base Pay plan.

All management employees are eligible for incentive pay, regardless of their position in the salary range. All management employees' salary above base pay is unfixed and uncertain until completion of the evaluation and award process annually, in which the incentive portion, if any, is determined for each management employee.

Employees earn the incentive based on their achievement of goals established during the performance management process. For each goal, achievement is rated based on one of two performance levels: Threshold or Target.

Unlike base pay increases which are determined at the end of the performance management cycle, the potential incentive percentages will be made public at the beginning of the performance review cycle. Incentive awards are expressed as a percentage of base pay. The City Council will determine the annual amount to be budgeted for management incentive pay, and an Incentive Pay matrix will be distributed to all management employees. This matrix will change from time to time based on the City's economics, market data, and demographics. At the end of the fiscal year and upon completion of the review process, incentive awards will be granted to employees based on their level of goal accomplishment during the performance management cycle. No management employee shall be awarded incentive compensation in an amount greater than 10% of that employee's base salary.

The City Manager will periodically provide the City Council with progress reports on the operation of the Performance Management and Compensation System.

SECTION 3: SCHEDULE OF BENEFITS

Life Insurance

All management employees shall receive City paid life insurance in an amount equal to two times the basic yearly earnings. To determine benefits, the amount of insurance is rounded to the next higher \$1,000 multiple, unless the amount equals a \$1,000 multiple. Supplemental Life, at an amount equal to City paid life insurance, is available at the employee's cost. Dependent life is also available at the employee's cost.

Former CMWD management employees shall receive Group Term Life Insurance, Accidental Death and Dismemberment, and Dependent Life Insurance as contained in their *Individual Agreement*.

Retirement

All management employees shall participate in the California Public Employees' Retirement System (CalPERS). The specific retirement formula applied will be determined based on whether the position is deemed safety or miscellaneous. All positions not deemed eligible for safety retirement will be deemed miscellaneous under the CalPERS system. Optional benefits unique to the City of Carlsbad's contract with CalPERS are outlined in the Coverage Key of the CalPERS Procedures Manual. A copy of this manual is kept on file in the Human Resources Department.

Retirement Contribution

All management employees, other than management employees who are considered fire safety employees, shall have all seven percent (7%) of their portion of the retirement contribution to the California Public Employees' Retirement System paid by the City until the pay period that includes January 1, 2005. The specific retirement formula applied will be determined based on whether the position is deemed safety or miscellaneous. All positions not deemed eligible for safety retirement will be deemed miscellaneous under the CalPERS system.

Management employees who are considered fire safety employees are eligible for the same retirement benefit formula and are subject to the same retirement provisions described in the City of Carlsbad CalPERS safety contract as those provided to employees represented by the Carlsbad Firefighters' Association, Inc. For sworn fire management employees, the City will contract with the California Public Employees' Retirement System (CalPERS) to provide the "3% @ 50" retirement benefit effective the pay period inclusive of January 1, 2004. Effective the pay period inclusive of January 1, 2004, the City will pay on behalf of all sworn fire management employees eight percent (8%) of the employee's retirement contribution to CalPERS. Effective the pay period inclusive of January 1, 2004, each sworn fire management employee will pay the additional one percent (1%) employee retirement contribution to CalPERS. The one percent employee retirement contribution will be made on a pre-tax basis. A two-tier retirement plan will apply to all sworn members entering membership for the first time in a City of Carlsbad fire safety classification on or after October 4, 2010. The terms of the second tier shall include the following:

- a. 2% @ 50 formula
- b. 3-year Final Average Earnings (FAE) for final compensation calculation

Effective January 1, 2005, the City will contract with CalPERS to provide the "3% @ 60" retirement benefit for Management employees who are considered miscellaneous. Effective the pay period inclusive of January 1, 2005, the City will pay on behalf of all miscellaneous management employees seven percent (7%) of the employee's retirement contribution to CalPERS. Effective the pay period inclusive of January 1, 2005, each miscellaneous management employee will pay the additional one percent (1%) employee retirement contribution to CalPERS. This one percent employee retirement contribution will be made on a pre-tax basis by implementing provisions of section 414(h)(2) of the Internal Revenue Code (IRC).

Management Leave

Management employees are exempt from overtime requirements under the Fair Labor Standards Act. Fire Battalion Chiefs are exempt from overtime requirements under FLSA, however, Fire Battalion Chiefs that are required to work a 24-hour shift/112 hours per bi-weekly pay period schedule are paid straight time for overtime when they are covering the duty for a Battalion Chief on leave. Management employees in the City are paid on a salary basis versus an hourly basis. Pursuant to FLSA regulation 29 CFR Section 541.5d, the City can make deductions from salary or leave accounts for partial day absences for personal reasons or sickness because the City has a policy and practice of requiring its employees to be accountable to the public that they have earned their salaries. A partial day absence is an absence of less than the employee's regular work day. Pursuant to FLSA regulation 29 CFR Section 541.118 (a)(2) and (a)(3), the City may make salary or leave reductions based upon full day absences.

Partial day or full day absences shall be first charged against the exempt employee's vacation, sick, or executive leave account. In the event the exempt employee does not have sufficient time in his/her leave account to cover the absence, deductions without pay will be made on full days only.

- **Vacation**

All management employees (except Fire Battalion Chiefs that work 112 hours per bi-weekly pay period) shall earn vacation on the following basis:

- Beginning with the first (1st) working day through the completion of five (5) full calendar years of continuous service - 80 hours/year (3.08 hours biweekly).
- Beginning the sixth (6th) year of employment through the completion of ten (10) full calendar years of continuous service - 120 hours/year (4.62 hours biweekly).
- Beginning the eleventh (11th) year of employment through the completion of eleven (11) full calendar years of continuous service - 128 hours/year (4.92 hours biweekly).
- Beginning the twelfth (12th) year of employment through the completion of twelve (12) full calendar years of continuous service - 136 hours/year (5.23 hours biweekly).
- Beginning the thirteenth (13th) year of employment through the completion of thirteen (13) full calendar years of continuous service - 144 hours/year (5.54 hours biweekly).

- Beginning the fourteenth (14th) year of employment through the completion of fifteen (15) full calendar years of continuous service - 152 hours/year (5.84 hours biweekly).
- Beginning the sixteenth (16th) year of continuous employment, vacation time shall be accrued, and remain at a rate of 160 hours for every full calendar year of continuous employment thereafter (6.15 hours biweekly).

Management employees with comparable service in local government agencies may be granted credit for such service for the purpose of computing vacation at the discretion of the City Manager. All management employees shall be permitted to earn and accrue up to and including three hundred and twenty (320) hours of vacation, and no employee will be allowed to earn and accrue vacation hours in excess of the three hundred and twenty (320) hour maximum.* The City Manager shall be responsible for the granting of vacation to all management personnel, except in the case of the City Attorney's Office, where the City Attorney shall be responsible for granting vacation.

* If there are unusual circumstances that would require an employee to exceed the vacation accrual maximum, he/she must submit a request in writing to the Department Head and the City Manager. The Department Head and the City Manager may grant such a request if it is in the best interest of the City. Requests will be handled on a case-by-case basis and will be considered only in extreme circumstances.

Former CMWD management employees shall earn and accrue vacation up to and including the maximum as contained in their *Individual Agreement*. Fire Battalion Chiefs that work a 112 hours per bi-weekly pay period shall earn and accrue vacation up to and including the maximum commensurate with Carlsbad Firefighters' Association (CFA) represented employees that work 112 hours per bi-weekly pay period.

- Vacation Conversion

Each December, management employees will be allowed to voluntarily convert up to 80 hours of accrued vacation to cash, provided that they have used 80 hours of vacation during the prior calendar year as defined by the 26 pay periods in that calendar year. Fire Battalion Chiefs that work 112 hours per bi-weekly pay period will be allowed to voluntarily convert up to 112 hours of accrued vacation to cash, provided that they have used 112 hours of vacation during the prior calendar year as defined by the 26 pay periods in that calendar year.

- Executive Leave

All management personnel, except former CMWD management employees, shall receive 56 hours per fiscal year for executive leave. The 56 hours will be credited at the beginning of each fiscal year to individual leave balances. This leave must be used within the same fiscal year.

The City Manager is authorized to provide ten (10) additional hours of executive leave per year to any management employee who is required to work extended hours due to emergencies such as fires, storms, floods, or other emergencies.

- Sick Leave

Twelve (12) days of sick leave are accrued per year. Accumulation is unlimited (employees cannot receive payment for unused sick leave). Fire Battalion Chiefs that work 112 hours per bi-weekly pay period shall accrue sick leave commensurate with CFA represented employees that work at 112 hours per bi-weekly pay period.

- Bereavement Leave

An employee may use up to an equivalent of three work days of paid leave if required to be absent from duty due to the death of a member of the employee's immediate family. Additional time off may be authorized by the Department Head and charged to accrued vacation or sick leave or treated as leave without pay.

The "immediate family" shall be defined as: spouse, child, parent, sibling, grandparents, grandchild, registered domestic partner; the aforementioned either natural, legally adopted, step or in-law, or any person over which the employee acts as legal guardian, or a verifiable current member of the immediate household.

The employee may be required to submit proof of relative's death before final approval of leave with pay is granted.

- Leave of Absence

1. Leave of Absence Without Pay

- A. General Policy

Any employee may be granted a leave of absence without pay pursuant to the recommendation of his/her Department Head and the approval of the City Manager.

A leave without pay may be granted for any of the following reasons:

1. Illness or disability.

2. To take a course of study which will increase the employee's usefulness on return to his/her position in the City service.
3. For personal reasons acceptable to the City Manager and Department Head.

B. Authorization Procedure

Requests for leave of absence without pay shall be made upon forms prescribed by the City Manager and shall state specifically the reason for the request, the date when the leave is desired to begin, the probable date of return, and the agreement to reimburse the City for any benefit premiums paid by the City during the leave of absence. The request shall normally be initiated by the employee, but may be initiated by his/her Department Head, and, upon written recommendation of the Department Head that it be granted, modified or denied, shall be promptly transmitted to the City Manager. A copy of any approved request for leave of absence without pay shall be delivered promptly to the Directors of Finance and Human Resources.

C. Length of Leave and Extension

A leave of absence without pay may be made for a period not to exceed six months, unless otherwise approved by the City Manager. The procedure for granting extensions shall be the same as that in granting the original leave provided that the request for extension is made no later than fourteen (14) calendar days prior to the expiration of the original leave.

D. Return From Leave

When an employee intends to return from an authorized leave of absence without pay either before or upon the expiration of such leave, he/she shall contact his/her Department Head at least fourteen (14) calendar days prior to the day he/she plans to return. The Department Head shall promptly notify the City Manager of the employee's intention. The employee shall return at a rate of pay not less than the rate at the time the leave of absence began.

E. Effect of Leave Without Pay

An employee shall utilize all his/her vacation, and/or sick leave (if applicable) prior to taking an authorized leave of absence without pay.

A prorata reduction of normal annual vacation and sick leave accruals shall be applicable to an approved absence without pay. Any absence without pay constitutes a break of continuous service with the City. The granting of any leave without pay exceeding two full scheduled pay periods shall cause the employee's salary anniversary date and calculation of full-time continuous service to be extended by the number of calendar days for which such leave has been granted less the first two full pay periods of such leave.

An employee's accumulation of sick leave and vacation leave will cease after the completion of two (2) full scheduled pay periods in which the employee has not received compensation due to a leave of absence without pay. Accrual will be reinstituted beginning the first day of the first full pay period after the employee has returned to work.

F. Leave Without Pay - Insurance Payments and Privileges

An employee on leave without pay may continue his/her City insurance benefits by reimbursing the City for the costs of insurance on a monthly basis during the period of the leave. Failure to reimburse the City for such benefits during the term of a leave of absence will result in the employee's coverage terminating on the first day following the month in which the last payment was received.

An employee on leave of absence without pay shall not have all of the privileges granted to regular employees.

- Pregnancy Disability Leave

An employee disabled by pregnancy shall be allowed to utilize a combination of accrued sick leave and vacation time and leave without pay to take a leave for a reasonable period of time, not to exceed four months. An employee shall utilize all accrued leave prior to taking leave without pay. Reasonable period of time means that period during which the employee is disabled on account of pregnancy, childbirth, or related conditions.

An employee who plans to take a leave pursuant to this article shall give the City reasonable notice of the date the leave shall commence and the estimated duration of the leave.

- Family and Medical Leave of Absence (FMLA)

An employee may be granted a FMLA of up to 12 weeks in a 12 month period for one or more of the following reasons:

- for the birth/placement of a child for adoption or foster care,
- to care for an immediate family member with a serious health condition, or
- to take medical leave when the employee is unable to work because of a serious condition.

FMLA may be paid or unpaid and may be granted concurrently and in conjunction with other leave and benefit provisions. Specific details regarding the provisions of this leave are available by contacting the Human Resources Department.

- Military Leave

Military leave shall be authorized in accordance with the provisions of State and Federal law. The employee must furnish satisfactory proof to his/her Department Head, as far in advance as possible, that he/she must report to military duty.

- Jury Duty

When called to jury duty, an employee shall be entitled to his/her regular compensation. Employees released early from jury duty shall report to their supervisor for assignment for the duration of the shift. Employees shall be entitled to keep mileage reimbursement paid while on jury duty.

A Department Head may, at his/her sole discretion, contact the court and request an exemption and/or postponement of jury service on behalf of an employee.

Employees released early from jury duty shall report to their supervisor for assignment for the duration of the work day. At the discretion of the supervisor, an employee may be released from reporting back to work if an unreasonable amount of the work day remains in light of travel time to the job site after release.

Health Insurance for Retirees

Effective January 1, 2001, management employees will be covered by the Public Employees' Medical and Hospital Care Act and will be eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. Management employees who retire from the City, either service or disability, shall be eligible to continue their enrollment in the CalPERS Health Program when they retire, provided that the individual is enrolled or eligible to enroll in a CalPERS medical plan at the time of separation from employment and their effective date of retirement is within 120 days of separation. The City will contribute the minimum

amount per month required under Government Code Section 22892 of the PEMHCA toward the cost of each retiree's enrollment in the CalPERS Health Program. Direct authorization may be established for automatic deduction of payments for health insurance administered by CalPERS.

Employees who retire from the City, either service or disability, shall be eligible to continue to participate in the City's dental and/or vision insurance programs. The cost of such dental and/or vision insurance for the employee and eligible dependents shall be borne solely by the employee. The City shall not charge the COBRA administrative cost to the retirees.

In order to qualify for this benefit, the retiree must have a minimum of five (5) years of City service and be a minimum of fifty (50) years old.

The retiree must make arrangements with the City to prepay his/her monthly premiums for dental and/or vision insurance and must keep such payments current to ensure continued coverage.

Sick Leave Conversion

Any management employee who has accrued and maintains a minimum of one hundred (100) hours of sick leave shall be permitted to convert up to twelve (12) days of sick leave and uncompensated sick leave to vacation at a ratio of three (3) sick leave days per one (1) day of vacation. The sick leave conversion option will be provided during the first week of each fiscal year. Conversion can only be made in increments of full day vacation days. Employees will not be allowed to convert sick leave to vacation if such conversion would put them over the vacation accrual maximum.

Former CMWD management employees per their *Individual Agreement*, have the option to sell back 100% of accumulated sick leave in excess of 250 hours at their current rate. The City, at its discretion, may purchase any accumulated sick leave from any of these referenced management employees at the current rate.

Separation Compensation

All management employees involuntarily separated from the City service due to budget cutbacks, layoffs, contracting out of service or for other reasons not due to misconduct which would justify involuntary separation shall receive one month's salary computed at the employee's actual salary at the time of separation.

Holidays

All management employees shall be paid holidays in accordance with the schedule of eleven (11) holidays and one (1) floating holiday, as established by the City Council. Fire Battalion Chiefs are subject to the same holiday schedule that is outlined for management employees. However, they are compensated for holidays in the same manner as CFA represented employees that work 112 hours per bi-weekly pay period. The floating holiday may be used at the discretion of the employee with prior approval of the Department Head.

The scheduled paid holidays that will be official City holidays shall be as follows:

New Year's Day	Columbus Day
Martin Luther King's Birthday	Veteran's Day
Presidents' Day	Thanksgiving Day
Memorial Day	Thanksgiving Friday
Independence Day	Christmas Day
Labor Day	One (1) Floating Holiday

Health Benefits

Management employees will participate in a flexible benefits program which includes medical insurance, dental insurance, vision insurance and flexible spending accounts (FSAs). Each of these components is outlined below.

Medical Insurance

Management employees will be covered by the Public Employees' Medical and Hospital Care Act (PEMHCA) and will be eligible to participate in the California Public Employees' Retirement System (CalPERS) Health Program. The City will pay on behalf of all management employees and their eligible dependents and those retirees mentioned in the section of this document titled, "Health Insurance for Retirees," the minimum amount per month required under Government Code Section 22892 of the PEMHCA for medical insurance through the California Public Employees' Retirement System (CalPERS). If electing to enroll for medical benefits, the employee must select one medical plan from the variety of medical plans offered.

Effective January 1, 2009, the City will contribute the following monthly amounts (called "Benefits Credits") on behalf of each active management employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS Health Program, 2) contributions in the name of the employee to the City's flexible spending account(s), 3) contributions of some or all of the premium for dental coverage or vision coverage:

- (a) For employees with "employee only" coverage, the City shall contribute four hundred eighty-nine dollars (\$489) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.
- (b) For employees with "employee plus one dependent" coverage, the City shall contribute nine hundred thirty-three dollars (\$933) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.
- (c) For employees with "employee plus two or more dependents" coverage, the City shall contribute one thousand two hundred twenty-six dollars (\$1,226) per month that shall include the mandatory payments to

CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

Effective January 1, 2010, the City will contribute the following monthly amounts (called "Benefits Credits") on behalf of each active management employee and eligible dependents toward the payment of 1) medical premiums under the CalPERS Health Program, 2) contributions in the name of the employee to the City's flexible spending account(s), 3) contributions of some or all of the premium for dental coverage or vision coverage:

- (a) For employees with "employee only" coverage, the City shall contribute four hundred ninety-eight dollars (\$498) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.
- (b) For employees with "employee plus one dependent" coverage, the City shall contribute nine hundred fifty dollars (\$950) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.
- (c) For employees with "employee plus two or more dependents" coverage, the City shall contribute one thousand two hundred forty-eight dollars (\$1,248) per month that shall include the mandatory payments to CalPERS. If the actual total premiums exceed the City's total contributions, the employee will pay the difference.

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash. If the amount contributed by the City (Benefits Credits) exceeds the cost of the medical and dental insurance purchased by the employee, the employee will have the option of using any "excess credits" to purchase vision insurance or to contribute to a healthcare or dependent care flexible spending account (FSA).

Dental Insurance

Management employees will be eligible to enroll in a City-sponsored dental plan. Should an employee elect to enroll for medical benefits, he/she must also enroll in dental coverage at the same coverage level (employee only, employee plus one dependent, employee plus two or more dependents) as medical insurance.

Vision Insurance

Management employees will be eligible to enroll in a City-sponsored vision insurance plan. Employees may elect to purchase vision insurance or to opt out of the vision insurance program. If the decision is made to purchase vision insurance, a management employee may purchase vision insurance at any level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Opt Out Provision

Management employees who do not wish to participate in the CalPERS Health Program will have the choice of opting out of the City's medical insurance program, provided they can show that they are covered under another insurance program.

Effective January 1, 2009, employees who elect this option will be given a reduced City contribution amount (Benefits Credits) of two hundred sixty-six dollars (\$266) per month, that shall include the mandatory payments to CalPERS, to be used toward the purchase of dental insurance, vision insurance, or as a contribution to a flexible spending account. The City contribution amount of two hundred sixty-six dollars (\$266) per month will be granted to any employee who elects to opt out of the CalPERS Health Program, regardless of the employee's level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Effective January 1, 2010, employees who elect this option will be given a reduced City contribution amount (Benefits Credits) of two hundred seventy-one dollars (\$271) per month, that shall include the mandatory payments to CalPERS, to be used toward the purchase of dental insurance, vision insurance, or as a contribution to a flexible spending account. The City contribution amount of two hundred seventy-one dollars (\$271) per month will be granted to any employee who elects to opt out of the CalPERS Health Program, regardless of the employee's level of coverage (employee only, employee plus one dependent, employee plus two or more dependents).

Under no circumstances will any unused Benefits Credits as outlined above be paid to the employee in cash.

Former CMWD management employees shall receive Medical, Dental and Vision, and Retiree Medical as contained in their *Individual Agreement*.

Annual Physical Examination and/or Physical Fitness Testing

All management employees, excluding former CMWD management employees, shall be eligible for reimbursement of up to the amount of four hundred fifty dollars (\$450) during each fiscal year to pay the cost of an employee's annual physical examination and/or physical fitness testing.

The annual physical examination may be completed by a physician of the employee's choice. Each employee claiming reimbursement shall be required to submit original receipts to the Human Resources Department in lieu of submitting them to the insurance company for payment.

The annual physical examination offered to management employees provides physical fitness testing and information regarding lifestyle changes that promote optimum health. Program components include, but are not limited to: Computerized Heart Risk Profile, Complete Blood Profile, Nutritional Assessment, Diet Program, Body Measurements, Lung Assessment, Consultations, etc.

Long-Term Disability Insurance (LTD)

Long-term disability is available for all management personnel (except management personnel who are considered fire safety employees) after 30 days of disability. The LTD premium cost is paid by the City.

Former CMWD management employees shall receive LTD benefits as contained in their *Individual Agreement*.

Accidental Death and Dismemberment

This is a voluntary program available to any employee who chooses to participate. Employees may select among various levels of coverage which cover accidents and death. The City will pay one-third (1/3) of the cost, the employee pays two-thirds (2/3) and 100% of dependent coverage.

Deferred Compensation

The City shall provide deferred compensation plan(s) which may be utilized by any management employee. The City reserves the right to accept or reject any particular plan and to impose specific conditions upon the use of any plan.

The City agrees to work with the City's deferred compensation provider (currently ICMA Retirement Corporation) to implement a personal loan provision for all management employees as soon as administratively possible. It is acknowledged that the City will assist in the administrative set-up of this benefit but that the City has no liability if an employee should default on the repayment of such a loan.

Former CMWD management employees may voluntarily participate in the Deferred Compensation Plan as contained in their *Individual Agreement*. The City matches former CMWD employee contributions up to a maximum of 7.5% of the employee's earnings.

Drug and Alcohol Policy

It is the policy of the City of Carlsbad to provide a work environment free from the effects of drugs and alcohol consistent with the directives of the Drug Free Workplace Act. This policy is applicable to all employees covered by the Management Compensation and Benefits Plan. A copy of this policy is available in the Human Resources Department.

As a provision of this policy, the City provides a voluntary Employee Assistance Program (EAP) to assist employees who seek help for substance abuse or other personal problems affecting work or family life. This program is available to employees and their family members and offers 24-hour access to confidential professional EAP assistance for emergency or urgent situations. For more specific information, contact the Human Resources Department or visit the City's intranet site.

Reporting Value of Uniforms to CalPERS

Effective May 31, 2010, all fire management employees who are required to wear City-provided uniforms will have the amount of \$17.31 reported to CalPERS bi-weekly as special compensation related to the monetary value of the required uniforms, excluding boots.